



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
Second Regular Session

House: APPROP DP 8-5-0-0

HB 2864: higher education; 2022-2023

**Sponsor: Representative Cobb (with permission of Committee on Rules), LD 5
Caucus & COW**

Overview

Contains provisions relating to higher education needed to implement the FY 2023 budget.

History

The Arizona Legislature adopts a budget for each fiscal year (FY) that contains general appropriations. [Article IV, Section 20, Part 2](#), Constitution of Arizona, requires the General Appropriations Act (feed bill) to contain only appropriations for the different state departments, state institutions, public schools and interest on public debt. Statutory changes necessary to reconcile the appropriations made in the feed bill and other changes are drafted into separate budget bills. These bills are prepared according to subject area.

Provisions

Community College Districts (CCDs)

1. Calculates, beginning FY 2023 and from the total statutory reimbursement formula amount, the amount a county that is not part of a CCD must pay to a CCD for students who reside in the county and who attend classes in the CCD by:
 - a) Dividing the CCD's prior year primary property tax levy by the CCD's current year full-time equivalent student (FTSE) number; and
 - b) Multiplying this amount by the FTSE number attending classes within the CCD from the county for the preceding year. (Sec. 1)
2. Mandates an amount equal to the total reimbursement amount minus the reimbursement amount owed by the county that is not part of the CCD be paid by the state General Fund. (Sec. 1)
3. Instructs Joint Legislative Budget Committee (JLBC) staff to annually determine the reimbursement amounts that each county and the state must pay to each CCD. (Sec. 1)
4. Instructs JLBC staff, within ten days after the general effective date and for FY 2023, to:
 - a) Revise the reimbursement amounts that each county and the state must pay to each CCD;
 - b) Notify each county board of supervisors of the revised amount it must reimburse to each CCD; and
 - c) Notify each CCD that is eligible to receive reimbursement of the revised reimbursement amount from each county and the state. (Sec. 6)
5. Declares, for FY 2023, science, technology, engineering and mathematics and workforce programs state aid and operating state aid for CCDs are as specified in the General Appropriations Act. (Sec. 8, 9)

Arizona Veterinary Loan Assistance Program

6. Establishes the Arizona Veterinary Loan Assistance Program and the Arizona Veterinary Loan Assistance Fund that are administered by the Arizona Board of Regents (ABOR). (Sec. 2)

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
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7. Requires, to participate in the program, a person to obtain a doctor of veterinary medicine degree from a veterinary college after January 1, 2023 and sign an agreement to:
 - a) Remain and work as a full-time veterinarian in Arizona for the following four years; and
 - b) Work, for at least two of the four years, in either agricultural practice in an area designated as having a shortage or in a nonprofit, county or municipal shelter. (Sec. 2)
8. Instructs ABOR, if a veterinarian satisfies the terms of the agreement, to distribute to the veterinarian an amount of fund monies equal to the veterinarian's outstanding veterinary college educational loan balance or \$100,000, whichever is less. (Sec. 2)
9. Mandates ABOR, by October 1 annually, compile a report that details how fund monies are being used and submit it to specified entities. (Sec. 2)
10. Directs ABOR to distribute fund monies subject to the availability of monies and legislative appropriation and on a first-come, first-served basis. (Sec. 2)
11. Details that the fund consists of legislative appropriations and that monies are continuously appropriated and exempt from lapsing. (Sec. 2)
12. Allows ABOR to retain up to 3% of fund monies for program administration costs. (Sec. 2)
13. Authorizes ABOR to adopt rules to carry out the program and for fund administration. (Sec. 2)
14. Defines *educational loan balance*, *veterinarian* and *veterinary college*. (Sec. 2)

Spouses of Military Veterans Tuition Scholarship Fund

15. Establishes the Spouses of Military Veterans Tuition Scholarship Fund that is administered by ABOR. (Sec. 3)
16. Instructs ABOR, subject to available monies, to use fund monies to award tuition scholarships to any person who applies and who:
 - a) Enrolls in an Arizona public university or a community college;
 - b) Is the spouse of an honorably discharged United States (U.S.) Armed Forces veteran;
 - c) Is entitled to classification as an in-state student;
 - d) Is an Arizona resident at the time of applying and continues to be an Arizona resident while receiving a tuition scholarship;
 - e) Completes and submits the Free Application for Federal Student Aid for each year that the person receives a tuition scholarship;
 - f) Complies with the standards of satisfactory academic progress as established by the university or community college; and
 - g) Completes a Family Educational Rights and Privacy Act release form for each university or community college in which the person is enrolled. (Sec. 3)
17. Details the process to verify that a person's spouse is an honorably discharged U.S. Armed Forces veteran. (Sec. 3)
18. Directs ABOR to award a tuition scholarship in an amount equal to tuition and mandatory fees charged by the university or community college, reduced by the amount of any federal aid scholarships, public grants and financial gifts, grants or aid received by the person. (Sec. 3)
19. Requires ABOR to verify that a person satisfies eligibility requirements before awarding a tuition scholarship. (Sec. 3)
20. Prohibits ABOR from awarding a person who is no longer eligible a subsequent tuition scholarship until the person submits documentation showing that they are eligible. (Sec. 3)
21. Stipulates a tuition scholarship may only be used:
 - a) For a maximum of four academic years or eight semesters;

- b) For a certificate or associate or baccalaureate degree; and
 - c) To pay tuition and mandatory fees. (Sec. 3)
- 22. Specifies tuition scholarships are awarded on a first-come, first-served basis. (Sec. 3)
 - 23. Details that the fund consists of legislative appropriations and monies are continuously appropriated and exempt from lapsing. (Sec. 3)
 - 24. Prevents ABOR from awarding a tuition scholarship to an eligible person if there are insufficient fund monies. (Sec. 3)
 - 25. Authorizes ABOR to adopt rules for fund administration. (Sec. 3)

Miscellaneous

- 26. Authorizes, for FY 2023, each dollar raised by the surcharge on student registration fees assessed pursuant to the Arizona Financial Aid Trust Fund to be matched by less than \$2 appropriated by the Legislature. (Sec. 7)
- 27. Instructs the Arizona Department of Administration to convey title and fee ownership of the real property and improvements on the real property currently housing the Mining, Mineral and Natural Resources Educational Museum (Mining Museum) to the University of Arizona for nominal consideration within 30 days after the general effective date. (Sec. 5)
- 28. Requires the University of Arizona to operate, manage and maintain the Mining Museum at the location consistent with statute. (Sec. 5)
- 29. Makes technical changes. (Sec. 1)
- 30. Makes conforming changes. (Sec. 1, 4)